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Towards global partnerships

Letter dated 22 October 2018 from the Permanent Representative of Malawi to the United Nations addressed to the Secretary-General

In my capacity as Chair of the Global Coordination Bureau of the Least Developed Countries, I have the honour to transmit herewith the ministerial declaration adopted at the annual Ministerial Meeting of the Least Developed Countries, held in New York on 26 September 2018 (see annex).

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I would be grateful if the present letter and its annex could be circulated as a document of the General Assembly, under agenda items 14, 17, 18, 19, 20, 21, 22, 23 (a), 24, 25, 26 and 27.

(*Signed*) Perks Master **Ligoya**
Ambassador and Permanent Representative
of Malawi to the United Nations
Chair of the Global Coordination Bureau
of the Least Developed Countries

Annex to the letter dated 22 October 2018 from the Permanent Representative of Malawi to the United Nations addressed to the Secretary-General*

Ministerial Declaration of the Least Developed Countries

New York, 26 September 2018

We, the Ministers and heads of delegation of the least developed countries, having met in New York on 26 September 2018 to provide strategic guidance for the full, effective and timely implementation of the Istanbul Declaration and Programme of Action for the Least Developed Countries for the Decade 2011–2020,

Recalling the Istanbul Declaration[1] and the Programme of Action for the Least Developed Countries for the Decade 2011–2020,[2] adopted by the Fourth United Nations Conference on the Least Developed Countries, held in Istanbul, Turkey, from 9 to 13 May 2011, and endorsed by the General Assembly in its resolution 65/280 of 17 June 2011, in which the Assembly called upon all the relevant stakeholders to commit to implementing the Programme of Action, and recalling also the Political Declaration adopted by the Comprehensive High-level Midterm Review of the Implementation of the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011–2020, held in Antalya, Turkey, from 27 to 29 May 2016, and endorsed by the General Assembly in its resolution 70/294 of 25 July 2016,

Reaffirming the overarching goal of the Istanbul Programme of Action to overcome the structural challenges faced by the least developed countries in order to eradicate poverty, achieve internationally agreed development goals, including the Millennium Development Goals, and enable graduation from the least developed country category,

Recalling also the 2030 Agenda for Sustainable Development,[3] the Addis Ababa Action Agenda of the Third International Conference on Financing for Development,[4] the Paris Agreement adopted under the United Nations Framework Convention on Climate Change,[5] the Sendai Framework for Disaster Risk Reduction 2015–2030[6] and the New Urban Agenda adopted in Quito by the United Nations Conference on Housing and Sustainable Urban Development (Habitat III),[7]

Welcoming with appreciation the reports of the Secretary-General on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011–2020,[8] and the Implementation, effectiveness and added value of smooth transition measures and graduation support,[9]

Adopt the following declaration:

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* The annex is being circulated in the language of submission only.

[1] *Report of the Fourth United Nations Conference on the Least Developed Countries, Istanbul, Turkey, 9–13 May 2011* (A/CONF.219/7), chap. I.

[2] Ibid., chap. II.

[3] General Assembly resolution 70/1.

[4] General Assembly resolution 69/313.

[5] See FCCC/CP/2015/10/Add.1, decision 1/CP.21, annex.

[6] General Assembly resolution 69/283, annex II.

[7] [E/2017/L.32], General Assembly resolution 71/256, annex.

[8] A/73/80–E/2018/58.

[9] A/73/291.

1. We reiterate firm commitment to the implementation of the Istanbul Programme of Action within the remainder of the decade, including by conducting regular reviews with the full involvement of all key stakeholders;

2. We recognize that, while the least developed countries have made significant efforts towards achieving the objectives, goals and targets of the Istanbul Programme of Action, a lot still remains to be done. The principle of country ownership and leadership remains crucial in order to accelerate progress towards sustainable development, and we recommit to take the lead in formulating, implementing, following up and reviewing our own coherent economic and development policies, strategies and plans. We call upon the international community to fulfil its commitment to give special attention to the least developed countries in the implementation of the IPoA;

3. We recognize that many of the least developed countries continue to face multiple structural challenges and constraints, including narrow production and export bases, lack of infrastructure and public services, institutional deficiencies, stagnant trade and investment flows, diminishing productivity growth and widespread poverty, hunger and malnutrition. These long-standing challenges are compounded by new and emerging challenges, such as climate change, increased incidences of natural disasters and public health emergencies, conflicts, declining commodity prices and rising capital outflows. We further recognize that the least developed countries in conflict and post-conflict situations and those experiencing political instability, or unable to deliver basic State services, have specific structural challenges and require context-specific approaches, including targeted national policies and assistance and international support measures;

4. We welcome the fact underscored by the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda, the Paris Agreement under the United Nations Framework Convention on Climate Change, the Sendai Framework for Disaster Risk Reduction 2015–2030[10] and the New Urban Agenda (HABITAT-III) that the most vulnerable countries, including the least developed countries, deserve special attention and reflect the concerns and aspirations of these countries. We recall the decision contained in the 2030 Agenda that effective linkages will be made with the follow-up and review arrangements of all relevant United Nations conferences and processes, including on the least developed countries, underline the importance of strong synergy in the implementation of the recently adopted agendas and the Istanbul Programme of Action at the national and subnational levels. We encourage coordination and coherence in the follow-up of their implementation. In this regard, we request UN-OHRLLS to ensure synergy and coherence in the follow-up and review of the three Programmes of Action for LDCs, LLDCs and SIDS and the 2030 Agenda for Sustainable Development;

5. We take note with appreciation of the Secretary-General's report on Progress towards the Sustainable Development Goals 2018,[11] which indicates that there has been some progress in the achievement of the SDGs, but the progress is uneven as LDCs remain far below many of the targets of the SDGs. We look forward to further progress in, inter alia, revitalizing and enhancing the Global Partnership for Sustainable Development in least developed countries, aligning existing policies with the new global plan of action, increasing policy and system-wide coherence and integration for achieving the Sustainable Development Goals and targets, addressing existing and emerging challenges, enhancing national capacities for evidence-based

[10] General Assembly resolution 69/283, annex.
[11] E/2018/64.

and data-driven decision-making and favouring participatory, cooperative and enabling environments at all levels;

6. We call upon the international community, including the United Nations system, to realize its commitment to the full and timely implementation of the 2030 Agenda for Sustainable Development and to provide support for mainstreaming it into the national development policies and programmes of the least developed countries. We also call upon it to realize its commitments to mobilize the means required to implement this Agenda through a revitalized global partnership for sustainable development, in a spirit of global solidarity, focused in particular on the eradication of poverty, the promotion of inclusive growth and the implementation of social protection systems, particularly for the poorest and most vulnerable. In this regard, we appreciate the Secretary-General for convening the High-level Meeting on Financing the 2030 Agenda for Sustainable Development in New York on 24 September 2018;

7. We are concerned that only a small number of the least developed countries are expected to reach the SDG target for GDP growth of "at least 7 per cent" in the near term. Growth in LDCs as a group is expected to rise modestly from an estimated 4.8 per cent in 2017 to 5.4 per cent and 5.5 per cent in 2018 and 2019, respectively. We are concerned that longer-term growth projections point to 35 per cent of the population in LDCs remaining in extreme poverty by 2030;

8. We express deep concern that a growing number of people are currently facing Crisis food insecurity or worse. Globally, 124 million people in 2017 were reported to be facing Crisis food insecurity or worse, fuelled by conflict, record-high food prices and abnormal weather patterns including prolonged drought conditions. Out of 51 countries facing Crisis food insecurity or worse, 33 are LDCs with a combined population of around 81.8 million.[12] We call upon the international community, especially our development partners, to enhance their financial and in-kind support to address this emergency;

9. We stress that climate change is one of the greatest challenges of our time and its widespread, unprecedented impacts disproportionately burden the poorest and most vulnerable countries, especially LDCs. We recognize that 2017 was among the top three hottest years on record and that the global average temperature that year was 1.1 degrees Celsius above pre-industrial levels.[13] We are further apprehensive that the melting of sea ice and glaciers due to rising temperatures will have deep and far reaching impact. In 2017, countries around the world, especially a number of LDCs, experienced unprecedented intense precipitation events causing heavy flooding and mudslides, devastating the lives of millions of people, and devastating the economies of many countries. There is mounting evidence that climate change is making these impacts more likely, and leading to greater loss and damage, further highlighting a need for urgent action to address loss and damage;

10. We welcome the Paris Agreement and its early entry into force, invite all its parties to fully implement the Agreement, and parties to the United Nations Framework Convention on Climate Change that have not yet done so to deposit their instruments of ratification, acceptance, approval or accession, where appropriate, as soon as possible. We must limit global warming to 1.5°C to protect lives and livelihoods, and this means global peaking of greenhouse gas emissions has to occur by 2020 and look forward to the Intergovernmental Panel on Climate Change (IPCC) special report on 1.5°C. We also look forward to the successful conclusion of the 24th session of the Conference of the Parties (COP 24) to the UNFCCC, which will be

[12] 2018 Global Report on Food Crises, WFP. https://docs.wfp.org/api/documents/WFP-0000069227/download/?_ga=2.81944915.418717270.1536177833-1292502195.1536177833.

[13] https://unfccc.int/news/2017-was-among-top-three-hottest-years-on-record.

convened on 3-14 December 2018, in Katowice, Poland. We also look forward to the dedicated climate summit in September 2019 to be convened by the Secretary-General to undertake the critical first review of the Paris Implementation;

11. We urge all international partners to provide financial and technical support and technology transfer to LDCs in the spirit of the Istanbul Programme of Action for the Least Developed Countries to ensure that all LDCs can engage effectively in low emission and climate resilient development that will protect the lives of our populations, economies and systems;

12. We are deeply concerned that despite repeated commitments, there exists a large and persistent gap between support needed and support provided in terms of finance, technology and capacity building. We call upon the development partners to operationalize the Green Climate Fund fully and in a timely manner, with the goals of mobilizing $100 billion per year by 2020, promoting and facilitating clean development mechanism projects in the least developed countries and addressing the needs of people displaced as a result of extreme weather events. We appreciate countries that have contributed to the Green Climate Fund and express concern that as of May 2018, the Green Climate Fund has only raised USD 10.3 billion equivalent in pledges from 43 state governments;[14]

13. We express grave concern that at the last 20th meeting of the Board of the Green Climate Fund, there was neither agreement on the replenishment process of the Fund nor approval of new projects. We underline the need for a quick resolution of the current stalemate and call upon our development partners to further accelerate their contributions to fulfil the $100 billion yearly benchmark. We welcome the decision of the Board of the Green Climate Fund to aim for a 50:50 balance between mitigation and adaptation over time on a grant equivalent basis and to aim for a floor of 50 per cent of the adaptation allocation for particularly vulnerable countries, in particular the least developed countries;

14. We reaffirm our support for developing an international legally binding instrument under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction (BBNJ). We stress the importance of commencing text-based negotiations at the Inter-governmental Conference convened in pursuance of the General Assembly Resolution 72/249 of 24 December 2017. We emphasize that there be preferential provisions for capacity building and transfer of technology for LDCs in order for them to derive benefits from maritime areas that constitute the "common heritage of mankind";

15. We recognize the importance of building productive capacity as a critical enabler for the development and graduation of the least developed countries. We emphasize that the development of physical infrastructure is an important prerequisite for sustained economic growth and sustainable development, and that significant amount of investment and technology are essential, including through public-private partnerships, innovative financing, regional integration and appropriate institutions and regulation, to bridge the existing savings-investment gap in the least developed countries. In this regard, we will strengthen the underlying investment climate, with enhanced support provided by the development partners and international financial institutions, including by improving predictability, governance and transparency, as well as in procurement practices and policies. We call upon the development partners to provide enhanced financial and technical support to the least developed countries for their infrastructure development and management. We look forward to the effective functioning of the multi-stakeholder forum to bridge the infrastructure gap,

[14] http://www.greenclimate.fund/how-we-work/resource-mobilization.

which should give special priority to the needs and challenges of the least developed countries;

16. We recognize that a key structural challenge in most of the least developed countries (LDCs) is to raise the share of manufacturing output in gross domestic product (GDP). We would therefore further strengthen our efforts to accelerate capital accumulation, knowledge development, technology acquisition, expansion of higher-value-addition and employment creation in manufacturing sectors. We will also stimulate productive capacity building in labour-intensive manufacturing industries, with the objective of raising output and increasing the quality of those goods that are already produced and maximizing direct employment creation for low-skilled labour;[15]

17. We recognize that agriculture, food and nutritional security and rural development are vitally important for the least developed countries. Agriculture plays a crucial role both in promoting food security and as the major economic activity for much of the population, with direct linkages to the eradication of poverty and hunger, rural development and gender equality and empowerment of women, as well as exports, commodity and production diversification, agro-processing capacity and an important source of foreign currency earnings. We therefore underline the need for adequate investment in physical infrastructure, scientific and technological development, research and agricultural extension services in the least developed countries. We recognize that commodity diversification and value addition as well as the effective participation of the least developed countries in regional and global value chains by upgrading and increasing the domestic value added and technology content of their products are vitally important so that they can gain the maximum benefit from their agricultural products;

18. We reaffirm the important role of agriculture in promoting food security. We underline the need for appropriate national, regional and global initiatives to ensure food and nutrition security in LDCs. We urge relevant UN agencies and other development partners to provide appropriate assistance to LDCs to meet their food security needs;[16]

19. We reiterate that official development assistance continues to be the largest and a critical source of external financing for the development of the least developed countries and that it provides a buffer to weather the impacts of the unstable and volatile global economic environment. We express our deep concern that total ODA from OECD-DAC countries to LDCs remains below its 2011 level, despite its estimated increase by 4 percent to about $26 billion in 2017 — the first time this figure has risen since 2010. We welcome the decision by the European Union, which reaffirms its collective commitment to achieve the target of 0.7 per cent of the official development assistance/gross national income within the time frame of the 2030 Agenda for Sustainable Development, and undertakes to meet collectively the target of 0.15 to 0.20 per cent of official development assistance/gross national income to least developed countries in the short term and to reach 0.20 per cent of official development assistance/gross national income to least developed countries within the time frame of the 2030 Agenda.[17] We also welcome the provisions of the Addis Ababa Action Agenda that encourage official development assistance providers to consider setting a target to provide at least 0.20 per cent of official development assistance/gross national income to least developed countries, and express encouragement to those providers that are allocating at least 50 per cent of their official development assistance to least developed countries. These are some

[15] Achieving the SDGs in LDCs: A Compendium of Policy Options; UNCTAD 2018.

[16] The Arab Food Security Initiative led by Sudan may be noted.

[17] See General Assembly resolution 69/313, annex.

qualitative and quantitative changes in the decades-long target on official development assistance for the least developed countries. We call upon all development partners to fulfil these targets;

20. We reiterate our call upon the donor countries to provide 0.20 per cent of their gross national income to the least developed countries by 2020 and 0.25 per cent of their gross national income by 2030 or at least 50 per cent of net official development assistance to the least developed countries;

21. We underline the fact that the allocation of global official development assistance resources should take into account the structural handicaps and constraints which are unique to the least developed countries. We call upon development partners to ensure the right balance in the allocation of official development assistance among various sectors, with particular focus on productive sectors, including infrastructure, agriculture and information and communications technology. We also call upon them to ensure quality of aid especially through predictability, using recipient country's system and eliminating tied aid;

22. We welcome the targets contained in the 2030 Agenda for Sustainable Development related to migration and remittances, and strongly urge partner countries to start taking action, specifically with respect to reducing to less than 3 per cent the transaction costs of migrant remittances by 2030 and eliminating remittance corridors with costs higher than 5 per cent, and to facilitate the orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies;

23. We recognize the agreement on a Global Compact for Safe, Orderly and Regular Migration and welcome the convening of the Intergovernmental Conference to Adopt the Compact, which will be held in Marrakesh, Morocco, on 10-11 December 2018;

24. We recognize that while official development assistance must remain central and play a catalytic role, there is a need to tap additional resources, including through innovative financing mechanisms which can provide more stable and predictable resources for development and are based on new partnerships between countries at different levels of development and public and private actors. Specific mechanisms for innovative financing should be operationalized to mobilize additional resources for financing sustainable development. We stress that the innovative sources of financing should be additional, substantial and predictable and disbursed in a manner that respects the priorities and special needs of the least developed countries and does not unduly burden them;

25. We express our deep concern that in 2016, the share of the least developed countries in exports of goods and services continued to decline, to 0.89 per cent of world exports, down from a peak value of 1.04 per cent in 2013, thereby moving further away from the target of 2 per cent of global exports called for in the Istanbul Programme of Action and target 17.11 of the Sustainable Development Goals. We are further concerned that in 2016, services exports fell by 4 per cent, compared with 2015. We therefore call upon the members of the World Trade Organization to strongly commit to addressing the marginalization of least developed countries in international trade and to improve their effective participation in the multilateral trading system. We also call upon the members to fully and faithfully implement all the least developed country-specific provisions contained in the existing World Trade Organization agreements, ministerial decisions and declarations, including those contained in the Bali and Nairobi decisions;

26. We call upon developed country members and developing country members of the World Trade Organization declaring themselves in a position to do so

to realize timely implementation of effective duty-free and quota-free market access on a lasting basis for all products originating from all least developed countries, consistent with World Trade Organization decisions, with a view to realizing the Sustainable Development Goals target of doubling the least developed countries' share of global exports by 2020;

27. We also call upon developed country members and developing country members of the World Trade Organization declaring themselves in a position to do so to take steps to facilitate market access for least developed countries' products, including by developing simple and transparent rules of origin applicable to imports from least developed countries, in accordance with the Decision adopted by members of the World Trade Organization at the Tenth Ministerial Conference, held in Nairobi. We note with appreciation the progress made with respect to implementing the Ministerial Decision on Preferential Rules of Origin for LDCs under WTO. We especially note with appreciation the introduction by the European Union, Norway and Switzerland of a system of self-certification of origin for registered exporters from LDCs. We welcome the ministerial decision of the World Trade Organization on the implementation of preferential treatment in favour of services and service suppliers of least developed countries and increasing least developed countries' participation in services trade,[18] and underline the need for its full implementation;

28. We welcome the entry into force of the WTO Trade Facilitation Agreement (TFA), which will address high trade costs incurred by LDCs and other developing countries, and facilitate the integration of these countries in regional and global value chains. We call upon the development and trading partners to provide targeted assistance and support to LDCs to help them build sustainable capacity to implement their commitments under the TFA, especially its Articles 13 and 21;

29. We request the WTO Members to assess the work done so far under the 1998 work programme on e-commerce, taking into account the actual needs of LDCs in terms of the digital divide, lack of regulation, lack of intrastructure, including lack of energy, electricity, internet penetration, and connectivity. We urge Members to examine issues of the digital divide and the ability of LDC suppliers to participate fairly in, and establish their own, e-commerce platforms in order to directly trade their goods and services. We also call on developed country Members to provide preferential market access to all business to consumer goods and services originating from all LDCs that are exported using an e-commerce- platform directly from LDCs suppliers. In this regard, we look forward to intensified and concerted action of the G20 countries to enhance the ability of least developed countries to more fully engage in digital trade, as committed in the G20 Summit in Germany in 2017;

30. We underline the importance of aid for trade initiatives in trade-related capacity-building; overcoming supply-side constraints; infrastructure development; and facilitating the integration of least developed countries' economies in regional and global trade. To this end, we call upon members to accord priority to the least developed countries' projects and ensure that at least 50 per cent of the aid for trade is allocated to least developed countries. We welcome the extension of the Enhanced Integrated Framework into phase two, and urge members to further intensify their efforts to secure the necessary level of contributions for the timely replenishment for effective implementation without any disruption of the Framework from 2016 to 2022;

31. We express our deep concern that the FDI flows to LDCs contracted by 17 per cent to $26 billion[19] in 2017, further to a 13 per cent decline to $38 billion in

[18] WT/MIN(15)/48-WT/L/982, 15 December 2015.

[19] UNCTAD World Investment Report 2018.

2016 compared to the previous year, with continued concentration on extractive and related industries. We underline the need for undertaking necessary measures at all levels to reverse this trend and further accelerate FDI to LDCs to meet their growing needs to realize the 2030 Agenda. We welcome the decision contained in the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development to adopt and implement investment promotion regimes for least developed countries and the offer to provide financial and technical support for project preparation and contract negotiation, advisory support in investment-related dispute resolution, access to information on investment facilities and risk insurance and guarantees, such as through the Multilateral Investment Guarantee Agency. In this regard, we take note with appreciation of the initiatives undertaken by UN-OHRLLS aiming at providing legal and technical support to LDCs in investment-related negotiations and dispute settlement through the Investment Support Programme, implemented by the International Development Law Organization (IDLO) and at improving the capacity of the investment promotion agencies of LDCs to attract, diversify and retain FDI and derive maximum benefit from it. We commend EU for its pledge to contribute 1 million Euro for the implementation of the investment support programme and invite donors to make generous contribution to these initiatives;

32. We reiterate our call to the Secretary-General, in his capacity as the Chair of the United Nations System Chief Executives Board for Coordination, to include the issue of investment promotion regimes for the least developed countries in the agenda of the Board, with a view to enhancing the overall effectiveness of United Nations system support that can contribute to enhancing the flow of foreign direct investment to the least developed countries and the ability of those countries to attract such investment. We request the Secretary-General to report to the General Assembly on the progress made in this regard. We take note with appreciation the Capacity Development Programme for the investment promotion agencies of LDCs, developed by UN-OHRLLS jointly with UNCTAD, UNIDO, ILO, EIF and WAIPA; and call for financial support to this programme;

33. We recall the SDG target 17.5 which decides to "adopt and implement investment promotion regimes for least developed countries" and express deep concern at the lack of progress in its implementation. We call upon Member States to take a decision at the seventy-third session of the General Assembly to establish an international investment support centre for the least developed countries under the auspices of the United Nations to provide a one-stop arrangement to help stimulate foreign direct investment in the least developed countries, which can make available the following interrelated and mutually reinforcing services, as already agreed upon in the Addis Ababa Action Agenda: (a) an information depository for investment facilities in the least developed countries; (b) provision of technical support to assist the least developed countries in preparing project documents and negotiating complex large-scale contracts; (c) provision of advisory support in dispute resolution; and (d) risk insurance and guarantees in close collaboration with the Multilateral Investment Guarantee Agency and the Organization for Economic Cooperation and Development;

34. We are concerned that the total external debt stocks in the least developed countries increased from $155 billion in 2008 to $293.4 billion in 2017, representing an average annual rate of growth of 7.4 per cent over that period. Furthermore, the ratio of debt service to exports sharply worsened over the period, rising from 4.1 per cent in 2008 to almost 10 per cent in 2017, a worrying development should that trend continue in the coming years. During the same period, debt service as a percentage of government revenue more than doubled, increasing from 5.7 to 14 per cent, which diverted resources away from key social projects aimed at attaining sustainable development targets. These developments reflect continued reduction in the ODA

flows and increased borrowing at commercial terms by those least developed countries over the past few years, incurring substantially higher debt servicing costs. The combined effect of those trends has led to a deterioration in both the numerator and denominator of key debt ratios, giving rise to increased fragility in the financial position of a number of least developed countries;

35. We are concerned that there are risks of re-indebtedness because of the huge development needs in the least developed countries and it is a matter of deep concern that in spite of the Initiatives,[20] many least developed countries still struggle with a high debt burden. As of 01 August 2018, 5 LDCs are in debt distress and 12 others of them are at high risk of debt distress.[21] We call upon development partners to take effective measures to cancel all multilateral and bilateral debts owed by all least developed countries to creditors, both public and private, and to arrange debt standstill and debt swaps until the debt cancellation is fully realized. We also call upon creditors, both public and private, for additional effective measures to facilitate financing of our economic development, including access to both concessional and non-concessional resources for investment in critically needed infrastructure and development projects. The debt sustainability framework for LDCs should systematically take into account their structural constraints and longer-term investment requirements for the implementation of the SDGs;

36. We welcome the establishment of the Technology Bank for the least developed countries, the headquarters of which were inaugurated in Gebze, Turkey on 4 of June 2018 by which the first Sustainable Development Goal target, target 17.8, has been achieved. We take note with appreciation the pledges that the Government of Turkey has made for financial and in-kind contributions for Technology Bank. We also take note with appreciation the contributions that Norway, the Sudan, India, Bangladesh and the Philippines have made and call upon other donor countries and development partners to make substantial contributions to the successful start-up of the Bank and its effective functioning. We also take note of the proposed programme of work of Bank in several LDCs, including in the areas of STI and technology needs assessments and the promotion of digital access to research, in collaboration with other UN agencies. We also call upon them to increase their assistance dedicated to addressing the science, technology and innovation challenges of the least developed countries. We request the Secretary-General to continue his efforts to support the Technology Bank, especially in its start-up phase;

37. We underline the fact that the long-term framework of the 2030 Agenda for Sustainable Development should not only ensure that the goals and targets are achieved, but also secure the sustainability of the achievements. In this regard, we recall the decisions contained in the Political Declaration of the Comprehensive High-level Midterm Review of the Implementation of the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011-2020 and the General Assembly resolution 71/238, to undertake an in-depth analysis on crisis mitigation and resilience-building for the least developed countries, at the national and international levels, with a view to building and further strengthening crisis mitigation and resilience in the least developed countries;

38. We take note with appreciation the findings and recommendations of the report of the Secretary-General on Crisis Mitigation and Resilience Building for LDCs.[22] We are deeply concerned that LDCs are disproportionately affected by a variety of systemic shocks, including economic crisis, commodity price volatility, health epidemics, natural disasters and other environmental shocks. These shocks not

[20] HIPC Initiative and MDRI.

[21] https://www.imf.org/external/Pubs/ft/dsa/DSAlist.pdf.

[22] A/72/270.

only halt the pace of economic progress and deteriorate poverty, but also undermine the capacity of LDCs to achieve the 2030 Agenda for Sustainable Development. It is therefore vitally important to reduce the vulnerability of LDCs to economic, health and environmental shocks, including natural disasters and climate change, to strengthen their resilience and enhance their ability to meet these and other challenges;

39. We also note with concern that the multilateral risk reduction strategies and mechanisms are proven insufficient for LDCs, as they are often inadequately funded, call for cumbersome administrative procedures and regulatory reforms and require complex and technical proposals to access various funds. The General Assembly in its resolution 72/231 underlines the importance of improving the coordination and effectiveness of resilience-building initiatives for the least developed countries by leveraging existing measures at the national, regional and global levels to respond to various types of disasters and shocks, as elaborated in the report of the Secretary-General. We invite the Secretary-General, in his capacity as the Chair of the United Nations System Chief Executives Board for Coordination, to set up an inter-agency working group to carry out this mandate. We also reiterate our invitation to the General Assembly to decide on the establishment of a "comprehensive multi-stakeholder resilience-building mechanism for LDCs", leveraging the existing measures and initiatives. The mechanism would entail a number of measures to be established or revitalized at the national, regional and global levels to respond to various types of disasters and shocks as elaborated in the report of the Secretary-General;

40. We recall the goal in the Istanbul Programme of Action to enhance capacities in energy production, trade and distribution with the aim of ensuring access for all by 2030, as well as the targets established under the SDG 7 on ensuring access to affordable, reliable, sustainable and modern energy for all. We note with concern that while the average global electrification rate reached 87.4 per cent in 2016, the average access to electricity across LDCs hovered as low as 44.8 per cent, and more than half of the world's 1 billion people without electricity live in LDCs. Furthermore, 85 per cent of the population in LDCs remain without access to clean fuels and technologies for cooking relies on biomass for cooking, underscoring the urgent need for improved access to clean and modern cooking energy. We call upon all actors, including development partners, intergovernmental financial institutions, the private sector and civil society, to work together to ensure universal, seamless and affordable access to energy, especially renewable energy to LDCs, with the establishment of modern generation, transmission and distribution infrastructure. We also invite the newly revitalized UN Energy, to focus on the specific sustainable energy challenges of the least developed countries with game-changing programmes and multi-stakeholder partnerships tailored to meet the needs of LDCs;

41. We emphasize that in globalized and interconnected world, information and communication technologies are key to allow individuals and businesses to participate in the knowledge economy including e-health, e-education e-banking and e-governance. Affordable and easily accessible broadband connectivity is an important enabler of economic growth, social inclusion and environmental protection. We are concerned that only 16 per cent of households in the least developed countries was online in 2016, displaying a very low level of penetration compared to 80 per cent developed countries and 40 per cent in developing countries.[23] We call upon development partners to substantially scale up their support to infrastructure development and make available the financial resources and expertise to provide universal and affordable access to the Internet in least developed countries by 2020

[23] E/2017/66.

in line with target 9.c of the SDGs. In this regard, we take note with appreciation the work done by the UN-OHRLLS as the convenor of the Broadband Commission's working group on the vulnerable countries;

42. We reaffirm that achieving gender equality, empowering all women and girls, and the full realization of the human rights of all people are essential to achieving sustained, inclusive and equitable economic growth and sustainable development. We reiterate the need for gender mainstreaming, including targeted actions and investments in the formulation and implementation of all financial, economic, environmental and social policies;

43. We underline that North-South, South-South and triangular cooperation is vital to the least developed countries, particularly in regard to technical assistance, sharing of best practices in terms of their development, especially in areas of productive capacity-building, infrastructure, energy, science and technology, trade, investment and transit transport cooperation, we call upon the countries of the South to further strengthen their support provided to the least developed countries in all these areas in a predictable manner; and look forward to the Second High-level United Nations Conference on South-South Cooperation to be held in Buenos Aires from 20-22 March 2019 and the Third South Summit to be held in Kampala in 2019;

44. We recall the ambitious goal of the Istanbul Programme of Action to enable half the number of least developed countries to meet the criteria for graduation by 2020 and commit to take the steps necessary to complete the graduation process. We take note of the recent progress in graduation, as elaborated in the ECOSOC resolution,[24] including recommendation of graduation of Bhutan, Solomon Islands and Sao Tome and Principe; and deferral of the consideration of the graduation of Tuvalu and Kiribati to no later than 2021. We take note of the concerns expressed by graduating countries and invite the General Assembly to address these concerns;

45. We acknowledge that the graduation of a country symbolizes its irreversible long-term socio-economic progress prevailing over the structural handicaps to socio-economic development. However, it also brings a lot of challenges in the form of losing the entire package of LDC-specific benefits and waivers from compliance with international obligations and commitments. We note with concern that in most cases, the graduated countries still remain far below the benchmarks under most of the SDG indicators and continue to face insurmountable challenges and vulnerabilities to various shocks and crises;

46. We note with appreciation that some development partners have extended some of the LDC-specific benefits to the graduated countries, taking into account the challenges they continue to face. However, most of these measures were taken on an ad-hoc rather than a systematic manner and benefits were granted by some partners rather than all. We reiterate that the existing processes related to graduation and smooth transition should be strengthened so that graduating and recently graduated countries will not face any disruption of their development trajectory, including challenges and uncertainties in achieving the SDGs;

47. We therefore call upon the Member States to agree on a package of benefits from development partners that the graduated countries will continue to enjoy in some critical areas of their economy for a certain period of time consistent with their development situations and needs. This can serve as a safeguard measure for the graduated countries to sustain their development path and not to relapse to the

[24] E/2018/L.22.

category of LDCs, thereby facilitating the achievement of the SGDs by 2030. This may include:[25]

(a) Support to graduating countries in costing, mobilizing resources and monitoring the implementation of the Sustainable Development Goals, covering all 17 Goals.

(b) More in-depth analysis of the potential impacts of graduation and identification of additional support to address the challenges of graduation.

(c) Capacity-building support to enhance access to new sources of financing, including blended financing of domestic and international resources.

(d) Facilitating increased access to other means of financing, including private finance, green bond financing and GDP-indexed bonds. Credit ratings and risk management measures, including through the Multilateral Investment Guarantee Agency, could be helpful in this respect.

(e) Bringing together various stakeholders, including development and trading partners and the private sector to provide a platform for countries about to graduate to showcase progress and investment opportunities, for example an improved business environment and increased institutional capacity.

(f) Extension of the preparatory period to five years from the current three years before effective graduation in order to anticipate and adapt to the trade-related effects of preference loss with a view to providing greater flexibility, for example to ensure workers are retrained and can achieve productivity gains to counteract any adverse effects related to increased competition.

(g) Legal assistance to transition from the EU's Everything But Arms to the enhanced Generalised Scheme of Preferences to mitigate abrupt loss of preferences as the GSP+ offers an additional preference (in some cases comparable with the EBA).

(h) A transitional services waiver arrangement: The LDC services waiver is a new mechanism made available to and yet barely utilised by the next wave of graduates. Given the importance of services to trade nowadays, as organised within global value chains (GVC), a particular transitional arrangement could be secured for forthcoming graduates from LDC status for this preference.

(i) More targeted Aid for Trade support: To improve the effectiveness of Aid for Trade disbursements pre- and post-graduation, the GVC approach towards assessment of needs for trade-related adjustment must be adopted. Investments in infrastructure can further reduce trade costs in view of heightened competition after graduation.

(j) Enhanced technical assistance to LDCs to build and strengthen their intellectual property rights systems would enable them to comply with obligations related to intellectual property after graduation. The implementation of the intellectual property regime should be an integral part of the national smooth transition strategy, taking into account national circumstances, and assistance in this regard should be extended to the graduating country at an early stage;

48. We recall paragraph 26 of General Assembly resolution 68/224, in which the Assembly requests all relevant organizations of the United Nations system, led by the Office of the High Representative for the Least Developed Countries, Landlocked

[25] Transitioning from LDCs: Achieving Trade-Related Adjustment, Enhanced Diversification and Reduced Economic Vulnerability by Jodie Keane and Howard Haughton, The Commonwealth Secretariat and the SG's report on Report of the Secretary-General: Implementation, effectiveness and added value of smooth transition measures and graduation support (A/73/291).

Developing Countries and Small Island Developing States, to extend necessary support in a coordinated manner to the countries that have expressed their intention to reach the status of graduation by 2020 in preparing their graduation and transition strategy, and we invite the organizations of the United Nations system, led by the Office of the High Representative, to extend the necessary technical support to the countries aspiring to graduation in developing their graduation and smooth transition strategies. We call upon the development partners to provide support for the implementation of the graduation strategy with a view to enabling those countries to graduate from least developed country status. Likewise, we call for providing support for the implementation of the smooth transition strategy after graduation, taking into account each country's development situation, in order not to disrupt its efforts towards sustainable development; In this regard, we welcome the report of the Secretary-General on the Implementation, effectiveness and added value of smooth transition measures and graduation support;[26]

49. We recognize the urgent need to undertake a comprehensive review of the graduation criteria for least developed countries, taking into account the goals and targets of the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda and the Paris Agreement. In this regard, we recall the decisions made in the Midterm Review that the review of the graduation criteria by the Committee for Development Policy should be comprehensive, taking into account all aspects of the evolving international development context, including relevant agendas and take note of the work programme of the CDP, adopted at its nineteenth session, to undertake a review of the basic structure of the least developed country criteria and its application principles aiming to identify additional indicators that could significantly improve the least developed country identification, which would become effective in 2021.[27] In this regard, we invite the CDP to provide significantly higher weightage to the environmental vulnerabilities and take note of its decision to implement a multi-year work programme for a comprehensive review of the least developed country criteria and looks forward to its outcome;

50. We recognize that the United Nations development system is challenged to meet the growing demands for more varied assistance by doing more, quicker and better. We invite all organizations of the United Nations system and other multilateral organizations, including the World Bank Group and international and regional financial institutions, to contribute to the implementation of the Istanbul Programme of Action, including by implementing scaled-up programmes of financial and technical cooperation, to integrate it into their programmes of work, to participate fully in its review at the national, sub-regional, regional and global levels, and to include in their annual reports to the Executive Boards and to the Economic and Social Council the progress made in this regard, as mandated by the Council in paragraph 9 of its resolution 2013/46;

51. We express serious concerns over the fact that the share of expenditure for operational activities for development of the United Nations system in the least developed countries is declining, urge the United Nations development system to continue to prioritize allocations to least developed countries including by allocating at least 75 per cent of their programme resources in least developed countries,[28] while reaffirming that the least developed countries, as the most vulnerable group of countries, need enhanced support to overcome structural challenges that they face in implementing the 2030 Agenda for Sustainable Development, and request the United Nations development system to provide assistance to graduating countries in the

[26] A/73/291.

[27] E/2017/33.

[28] Currently 74 per cent of core programme resources of the United Nations Development Programme is allocated for work in least developed countries.

formulation and implementation of their national transition strategies and to consider country specific support for graduated countries for a fixed period of time and in a predictable manner;

52. We welcome the General Assembly resolution 72/279 of 31 May 2018 on the repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system, and emphasize the importance of its full and timely implementation. We request the Secretary-General and the UNDS Transition Team to ensure that the QCPR resolution is fully taken into account while implementing the UNDS repositioning resolution, especially in according special priority to LDCs with strengthened and reinvigorated country presence in each LDC. We reiterate that the UNDS reform remains a country led and driven process, whose implementation, plans, strategies and efforts must be guided by national strategies and efforts. We emphasize that eradicating poverty and hunger, access to public health, education and other social services, addressing the impacts of climate change and building productive capacity and infrastructure in LDCs should remain at the centre of the United Nations development cooperation efforts. The system also needs to support LDCs in data, statistics, knowledge platforms and the national implementation of the Goals through monitoring and reporting;

53. We request the Office of the High Representative to extend necessary support to the least developed countries in the implementation and monitoring of the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development through coordination with various United Nations entities, raising global awareness, mobilizing international support and resources in favour of the least developed countries, building multi-stakeholder partnerships and reaching out to all stakeholders, including by establishing partnerships with civil society and the private sector, to enhance support for the three groups of countries;

54. We recall paragraph 26 of General Assembly resolution 67/220, in which the Assembly invites the Secretary-General, in his capacity as Chair of the United Nations System Chief Executives Board for Coordination, to include implementation of the Istanbul Programme of Action as a standing item on the agenda of the Board, and we call upon the Board to continue to follow up on the implementation of the Programme of Action and to keep the Assembly informed on a regular basis;

55. We recognize that the income-based classifications of countries are becoming less and less relevant and unable to take into account fragility and other structural constraints, while least developed countries represent the most homogenous group of countries. We therefore stress that the least developed country category should be universally recognized to facilitate the coordinated and coherent follow-up and monitoring of the implementation of the international development agenda in these countries. We invite the General Assembly to take necessary measures in this regard during its seventy-third session;

56. We take note of the survey conducted by the CDP on reasons and consequences of the non-application of the least developed country category by United Nations development system entities and its findings that United Nations development system entities should not only to recognize the least developed countries category, but also to consistently apply the least developed countries category by providing international support measures, and request the United Nations development system entities to adopt common guidelines in this regard. We also request international financial institutions, in particular the World Bank, the International Monetary Fund (IMF) and regional development banks, also to consider

the least developed country category in their procedures for allocating resources and to design policies that consider the special situation of the least developed countries;[29]

57. We express deep concern that least developed countries are hugely underrepresented in the decision-making processes of the global financial architecture. Forty-seven least developed countries, with 13 per cent of the global population, collectively enjoy only 3.27 per cent of the voting power of the International Monetary Fund and 3.78 per cent of the voting power of the International Bank for Reconstruction and Development. This needs to be addressed for the legitimacy and effectiveness of the global financial system. We recommit to broadening and strengthening the voice and participation of least developed countries in international economic decision-making and norm-setting and global economic governance. We invite the Basel Committee on Banking Supervision and other main international regulatory standard-setting bodies to continue efforts to increase the voice of least developed countries in norm-setting processes to ensure that their concerns are taken into consideration;

58. We recall paragraph 157 of the Istanbul Programme of Action on holding a Fifth United Nations Conference on the Least Developed Countries towards the end of the current decade in order to make a comprehensive appraisal of the implementation of this Programme of Action and to decide on subsequent actions. We request the General Assembly to take decisions at its 73rd Session on the Fifth UN Conference on LDCs with all organizational details and the scope and terms of reference of the Conference, including its preparatory process at national, sub-regional, regional and global levels. In this regard, we request the Secretary-General to explore the potential generous host of the Conference and mobilize necessary resources for successfully holding the Conference;

59. We most sincerely acknowledge the supportive role being played by the Group of Friends of Least Developed Countries, and invite the Group to further strengthen its support for the effective realization of the Istanbul Programme of Action, the outcome of the Comprehensive High-level Midterm Review, the 2030 Agenda for Sustainable Development and the outcomes of all other international and regional conferences and processes as they relate to the least developed countries;

60. We express our deep appreciation to the People's Republic of Bangladesh for its able chairmanship, tireless efforts and excellent leadership provided to the least developed countries in the past three years as the Chair of the Global Coordination Bureau of the Least Developed Countries and look forward to its continued support to the promotion of the interests of the least developed countries;

61. We recall annex II of the Ministerial Declaration of Least Developed Countries entitled "Decision on a coordination mechanism for the least developed countries, adopted at United Nations Headquarters, New York, on 15 November 2001" (see A/C.2/56/5). We warmly welcome the nomination by consensus of the Republic of Malawi to serve as the Chair and Bangladesh, Ethiopia, Senegal and Yemen as the Vice-chairs of the Global Coordination Bureau for the next three years. We also warmly welcome the nomination by consensus of Solomon Islands, Vanuatu and Tuvalu, each will serve in the Bureau for one year, on an exceptional basis, for the next three years. We assure our full support and cooperation to the Bureau in discharging its responsivities.

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[29] E/2017/33.